



What you need to know about the roll-out of universal credit

Universal credit (UC) is a new benefit which combines and replaces six existing benefits including housing benefit (HB), as well as working and child tax credits and three out of work benefits; job seeker's allowance, employment support allowance and income support. It is being introduced gradually over a period of several years and this guide for CIH members sets out what you need to know about its rollout across England, Scotland and Wales. It is being updated regularly as more information emerges.

How is universal credit being rolled out?

To date the rollout of UC has been very gradual and has been based on the following principles:

- It has been introduced to new claimants first, with those already receiving any of the benefits it is intended to replace due to be migrated over to the new system later
- It has been rolled out gradually to different geographical areas. The very first people to receive UC were all claimants in a single pathfinder area, in Ashton-under-Lyme. Subsequently, over a period of time, job centres in other parts of the country have also begun processing some claims under UC and by April 2016 it will have reached every part of the country
- It has been introduced to the simplest cases first. Most claimants currently in receipt of UC are single job seekers (ie: they are of working age, are able to work and are actively seeking work) without children – these are known as the 'pathfinder group'. Once job centres in all

parts of the country are processing these simple claims, some will also begin accepting more complex cases. This will again be rolled out gradually to different geographical areas.

However an important principle of the roll-out is that once a claimant has begun receiving UC, they cannot usually go back to the old system. This means that, in most cases, even if their circumstances change and their case becomes more complex, or if they move to a different part of the country where the roll-out has not yet begun, they will still continue to receive UC.

Who is already receiving universal credit?

[Department for Work and Pensions \(DWP\) figures](#) show that as of December 2015 a total of around 175,000 claimants were receiving UC. The highest concentration of these is in the North West of England, where claims have been processed in the pathfinder areas of Ashton-under-Lyme since April 2013, and in Wigan, Warrington and Oldham since July 2013. The wider roll-out began from October 2013 and by April 2016 job centres in every part of the country will be processing UC claims from new claimants in the pathfinder group. An interactive map showing all of the areas where claims are currently being processed is available on the [DWP website](#).

There are currently only a very small number of areas where UC is already being rolled out to couples and claimants with children.

In practice because in most areas only new claims from those in the pathfinder group are being processed under UC, the number of claimants is



growing slowly but consistently. Although there are slight regional variations, the number of new HB claims received each month is typically around 2 per cent of the total caseload and of these only a proportion will be from single job seekers without children. Our analysis suggests that, for example, this would equate to around 355 new UC claimants per month in the city of Birmingham, or 46 in the town of Solihull. However this will accelerate when more job centres begin to accept more complex cases.

What happens next?

The DWP has now announced the next stage of the roll-out, which begins in May 2016. This will see job centres in 30 more areas moving to the 'full UC service' between May and December 2016. This means that they will begin processing all new claims, for all types of claimants, under UC and also moving existing claimants over to UC when there is a change in their circumstances. A list of the areas covered by this phase of the rollout is [available online](#).

Beyond that, the exact timetable for completing the roll-out is not entirely clear and is potentially still subject to change. DWP now estimates that, across the country as a whole, all new claims will be for UC by 2018. After that it will begin migrating all remaining existing claimants over to the new system, a process it currently expects to complete by 2021.

There will therefore be a prolonged period where both systems will operate side-by-side, during which you will need to work both with tenants who are still receiving HB and those who are receiving UC.

What happens in Scotland if more powers are devolved to the Scottish Government?

Following the commitment made by the three main UK political parties in the run up to the 2014 independence referendum, a set of new powers for the Scottish Government are currently in the process of being considered. CIH has already published a more detailed briefing covering [what you need to know about proposed new powers for Scotland](#). However in summary, under the proposals as they currently stand, the Scottish Government is expected to gain some new powers in relation to welfare, but not the power to 'opt out' of UC altogether.

Instead it is likely that the Scottish Government will (should it choose to) be able to make some specific changes to the way UC payments are calculated and processed in Scotland, including for example to the frequency and method of payments and to the housing element of UC. The Scottish Parliament's welfare reform committee has recently published [recommendations on how these new powers should be used](#).

The detail of these new powers is however still being finalised and could yet be subject to change. Furthermore, whatever new powers are agreed may take some time to be implemented. In the meantime, the roll-out of UC is continuing in Scotland on the same basis as in the rest of the UK.

Further information

CIH has produced a range of further publications covering the practical implications of UC and what you can do to prepare for its implementation in your area. For more information on this, [visit our website](#).